



Virginia
Regulatory
Town Hall

Notice of Intended Regulatory Action Agency Background Document

Agency Name:	Board of Accountancy
VAC Chapter Number:	18 VAC 5-30-10 et seq.
Regulation Title:	Continuing Professional Education Sponsor Registration Rules and Regulations
Action Title:	Repeal of Existing CPE Sponsor Registration Rules and Regulations
Date:	August 26, 2002

This information is required prior to the submission to the Registrar of Regulations of a Notice of Intended Regulatory Action (NOIRA) pursuant to the Administrative Process Act § 9-6.14:7.1 (B). Please refer to Executive Order Twenty-Five (98) and Executive Order Fifty-Eight (99) for more information.

Purpose

Please describe the subject matter and intent of the planned regulation. This description should include a brief explanation of the need for and the goals of the new or amended regulation.

On July 19, 1999, the Board of Accountancy unanimously voted to repeal the Continuing Professional Education Sponsor Registration Rules and Regulations (18 VAC 5-30-10 et seq.), which were effective October 23, 1991. Therefore, the purpose of this action is to repeal these regulations.

Basis

Please identify the state and/or federal source of legal authority to promulgate the contemplated regulation. The discussion of this authority should include a description of its scope and the extent to which the authority is mandatory or discretionary. The correlation between the proposed regulatory action and the legal authority identified above should be explained. Full citations of legal authority and, if available, web site addresses for locating the text of the cited authority must be provided.

According to Section 54.1-4403 of the Code of Virginia, the Board of Accountancy has the power and duty to “promulgate regulations in accordance with the Administrative Process Act (§ 2.2-4000 et seq.) necessary to assure continued competency, to prevent deceptive or misleading practices by practitioners and to effectively administer the regulatory system.”

(To view Section 54.1-4403, please go to the Legislative Information System at the following web address: <http://leg1.state.va.us/cgi-bin/legp504.exe?000+cod+54.1-4403>.)

The Board also has the statutory authority, according to Section 54.1-4410, to “promulgate regulations establishing procedures and requirements for the renewal of a CPA certificate granted by the Board,” which include requirements for continuing professional education (CPE). Subsections B and C of this section state that, with regards to the Board’s CPE requirements, the “certificate holder may choose the areas of study and courses.”

(To view Section 54.1-4410, please go to the Legislative Information System at the following web address: <http://leg1.state.va.us/cgi-bin/legp504.exe?000+cod+54.1-4410>.)

Finally, this action is being submitted in compliance with Section 2.2-4016 of the Administrative Process Act, which states that “a regulation may be repealed after its effective date only in accordance with the provisions of this chapter that govern the adoption of regulations.”

(To view Section 2.2-4016, please go to the Legislative Information System at the following web address: <http://leg1.state.va.us/cgi-bin/legp504.exe?000+cod+2.2-4016>.)

Substance

Please detail any changes that would be implemented: this discussion should include a summary of the proposed regulatory action where a new regulation is being promulgated; where existing provisions of a regulation are being amended, the statement should explain how the existing regulation will be changed. The statement should set forth the specific reasons the agency has determined that the proposed regulatory action would be essential to protect the health, safety or welfare of citizens. In addition, a statement delineating any potential issues that may need to be addressed as the regulation is developed shall be supplied.

The Board of Accountancy is proposing to repeal the Continuing Professional Education Sponsors Registration Rules and Regulations (18 VAC 5-30-10 et seq.).

The National Association of State Boards of Accountancy (NASBA), a national organization to which the Virginia Board belongs, along with 53 other state boards of accountancy, has several divisions that strictly monitor continuing professional education (CPE) and CPE providers nationwide. These divisions include: (1) the Regulatory Compliance Services, which offers programs to assist state boards and their licensees determine high quality CPE providers, (2) the National Registry of CPE Sponsors, which lists organizations that provide high quality CPE in accordance with nationally-recognized standards, (3) the Quality Assurance Service (QAS), which recognizes organizations that provide self-study CPE courses of the highest caliber, (4) the CPE Advisory Committee, which reviews the methodology of maintaining qualitative aspects of the National Registry of CPE Sponsors and advises the Board of Directors about innovations in CPE, and (5) the Statement on Standards of Continuing Professional Education Programs, which

were developed jointly by NASBA and the American Institute of Certified Public Accountants (AICPA).

After a review of the substance and purpose of their CPE Sponsor Registration regulations, and of the programs provided by NASBA, the Board of Accountancy determined that such regulations in the Commonwealth were no longer necessary to fulfill the Board's statutory mandate, enumerated in Section 54.1-4403, to establish qualifications for licensure, and continuing profession education standards as a condition for issuance or renewal of a CPA certificate. The Board deemed their CPE Sponsor Registration regulations repetitious and unduly burdensome on CPE sponsors in the Commonwealth, in light of regulations and programs on the national level. Further, the Board determined that the repeal of their CPE Sponsor Registration regulations would not jeopardize the public's safety or welfare in the Commonwealth.

Alternatives

Please describe, to the extent known, the specific alternatives to the proposal that have been considered or will be considered to meet the essential purpose of the action.

The only alternative to this proposal is that the Board of Accountancy would maintain the CPE Sponsor Registration Rules and Regulations, which would be an additional level of regulation on CPE sponsors, since such registration was handled on a national level.

Family Impact Statement

Please provide a preliminary analysis of the potential impact of the proposed regulatory action on the institution of the family and family stability including to what extent the regulatory action will: 1) strengthen or erode the authority and rights of parents in the education, nurturing, and supervision of their children; 2) encourage or discourage economic self-sufficiency, self-pride, and the assumption of responsibility for oneself, one's spouse, and one's children and/or elderly parents; 3) strengthen or erode the marital commitment; and 4) increase or decrease disposable family income.

The repeal of the Continuing Professional Education Sponsor Registration Rules and Regulations does not have an impact on the institution of the family and family stability. This repeal does not strengthen nor erode the authority and rights of parents in the education, nurturing, and supervision of their children. It does not encourage or discourage economic self-sufficiency, self-pride, and the assumption of responsibility for oneself, one's spouse and one's children and/or elderly parents. This repeal does not strengthen or erode the marital commitment. The effect of the repeal of these regulations on disposable family income is minimal.